

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
Richmond Division**

In re:	:	Chapter 11
	:	
Circuit City Stores, Inc., <i>et al.</i> ,	:	Case No. 08-35653 (KRH)
	:	
Debtors.	:	

**RESPONSE OF DENON ELECTRONICS (USA) LLCTO DEBTORS'
NINETEENTH OMNIBUS OBJECTION TO CLAIMS (RECLASSIFICATION OF
CERTAIN MISCLASSIFIED CLAIMS TO UNSECURED, NON-PRIORITY CLAIMS)**

COMES NOW **Denon Electronics (USA) LLC** ("Denon"), by the undersigned counsel, for its response to *Debtors' Nineteenth Omnibus Objection to Claims (Reclassification of Certain Misclassified Claims to Unsecured, Non-Priority Claims)* ("Objection"), and states as follows:

1. On or about December 19, 2008, Denon timely filed its claim with Debtors' claims agent, Kurtzman Carson Consultants, in the amount of \$589,396.62. The claim has been assigned claim number 1451. A copy of the claim is attached hereto and incorporated in full by this reference as Exhibit A. The Debtor's Objection seeks to reclassify this claim from a reclamation claim, to a general unsecured claim.

2. The claim is based upon goods sold and delivered to Debtor, in Debtor's ordinary course of business, within forty-five (45) days of the commencement of Circuit City's bankruptcy case. See, 11 U.S.C. § 546(c). Additionally, it is based on the reclamation demand letter of November 10, 2008, from John Henderson, Director of Credit, D & M Holdings US,

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Inc.¹, to Bruce H. Besanko, Chief Financial Officer, Circuit City Stores, Inc. A copy of Mr. Henderson's letter is attached to the claim (*See Exhibit A*).²

3. The goods delivered to Debtor within forty-five (45) days of its bankruptcy petition were shipped, in general, pursuant to a letter agreement between Denon and the Debtor, dated August 2, 2006 (the "Letter Agreement"). A copy of the Letter Agreement is attached hereto and incorporated in full by the reference as Exhibit B.

4. The person with knowledge of this claim is Mr. John Henderson, as identified above. A Declaration of John Henderson is attached hereto and incorporated in full by this reference as Exhibit C.

5. Denon reserves the right to supplement this Response in advance of any final hearing on the Objection.

WHEREFORE, Denon respectfully requests that the Court overrule the Objection, and allow Denon's claim as filed, and grant such further relief as is just and proper under the circumstances.

Respectfully Submitted,
Denon Electronics (USA), LLC
By Counsel

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¹ D&M Holdings US, Inc. is the parent company of Denon Electronics (USA) LLC.

² As identified in Mr. Henderson's letter, some of the goods included in this claim were delivered within twenty (20) days of the bankruptcy petition. As such, Denon reserves its right to administrative expense status for such goods, pursuant to 11 U.S.C. § 503(b)(9).

CERTIFICATE OF SERVICE

I hereby certify that on this 16th day of July, 2009, a true and accurate copy of the foregoing was electronically filed with the Clerk of the Bankruptcy Court for the Eastern District of Virginia, Richmond Division, using the CM/ECF system, which thereby caused the above to be served electronically on all registered users of the ECF system that have filed notices of appearance in this matter, and was mailed, by U.S. Mail, first class, postage prepaid, to all persons on the Service List below:

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